

30 September 2022

Markets lower again overnight (-2-3%), yields up, commodities ~flat

- **Global markets.** It was another shocking overnight session for equities, with US stocks selling off from the moment trading opened – with every tick red for the first 50mins of trade. Stocks ultimately bottomed ~an hour before the close and rallied into the final hour, with the Nasdaq ending down 2.8% (after being down by as much as ~4% at one stage), while the other major indices were also all down in a range of ~1.5%-2.4%. Over in Europe, it was a similar story with the three major markets losing 1.5%-1.8%.
- **In sector news,** all 12 of the S&P's sub-sectors were red, with **Energy** (-0.1%) the best performer as oil was flat on the day. **Utilities** (-4.1%) and **Consumer Discretionary** (-3.4%) sectors were slammed, to be the worst performers.
- **In company news,** some big moves were registered amongst the megacap names, with **Apple** off 5% for the day (it was down >6% at one stage), while **Tesla** lost 7% to be the 4th worst performing name in the S&P, **Boeing** (-6%), **Ford** (-6%) and **GM** (-6%) were also very weak.
- **In other markets,** it was an unusual day of moves given the weakness in equity markets, with the **USD** actually moving materially lower against a basket of currencies (-1%), while **yields** were only modestly up with 2-year +8bps and 10-year +5bps. Elsewhere, the **AUD** was mixed against a basket of currencies (but well down against a strong **GBP**). **Commodities** were also mixed with most trading in a +/- 1% range.
- **Futures point lower.** Given the weak lead from Wall Street, it appears stocks will open sharply lower when trading commences this morning – with ASX futures currently off by 22 points at the time of writing.
- **An extremely busy day for economic news,** with key releases including PCE figures in the US, China PMIs, inflation from Italy and France, unemployment figures from Germany, Michigan consumer sentiment and Eurozone inflation figures. Then there will also be six separate Fed speakers over the day.

World Indices	Close	Prior	% Δ
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Local Markets

All Ordinaries	6,760.6	6,659.8	1.5%
ASX 200	6,555.0	6,462.0	1.4%
ASX Emerging Companies	2,065.3	2,020.1	2.2%

US Markets

Dow Jones	29,225.6	29,683.7	-1.5%
S&P500	3,640.5	3,719.0	-2.1%
Nasdaq	10,737.5	11,051.6	-2.8%
Russell 2000	1,674.9	1,715.2	-2.4%

Asian & European Markets

Shanghai Composite	3,041.2	3,045.1	-0.1%
Nikkei	26,422.1	26,174.0	0.9%
Hang Seng	17,165.9	17,250.9	-0.5%
FTSE 100	6,881.6	7,005.4	-1.8%
DAX 30	11,975.6	12,183.3	-1.7%
CAC 40	5,676.9	5,765.0	-1.5%

Economic Releases	Time	F'cast	Prior
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China Manufacturing PMI	19:00	49.6	49.4
RBI Rate Decision	19:00	5.9%	5.4%
UK GDP (Q2)	19:00	2.9%	8.7%
Eurozone Inflation	22:00	9.7%	9.1%
Eurozone Core Inflation	22:30	4.7%	4.6%
US PCE Index	22:30	4.7%	4.6%
US Core PCE Index	22:30		6.3%
6x Fed Speakers	Various		
Michigan Cons. Sentiment	12:00	58.2	1.29m

Key BW Names	Close	Prior	% Δ
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Elementos	0.300	0.280	7.1%
Jervois Mining	0.495	0.470	5.3%
Lotus Resources	0.230	0.220	4.5%
Family Zone Cyber Security	0.320	0.305	4.9%

Commodities	Close	Prior	% Δ
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Oil - West Texas Crude	81.68	81.73	-0.1%
Gold	1,663.8	1,658.2	0.3%
Gold (Aus)	2,556.6	2,545.3	0.4%
Silver	18.88	18.87	0.1%
Uranium (Spot)	48.25	48.50	-0.5%
Tin (Futures)	20,993	20,875	0.6%

Currency	Close	Prior	% Δ
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DXY Index	111.77	112.75	-0.9%
AUD/USD	0.6508	0.6515	-0.1%
AUD/GBP	0.5824	0.5996	-2.9%
AUD/EUR	0.6623	0.6700	-1.1%
AUD/YEN	93.96	93.96	0.0%
AUD/NZD	1.1333	1.1384	-0.4%
AUD/CAD	0.8902	0.8871	0.3%

Other Markets	Close	Prior	% Δ
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VIX Index	31.84	30.18	5.5%
2-Year Treasury Yield (%)	4.217	4.139	8 bp
10-Year Treasury Yield (%)	3.788	3.736	5 bp
US 2-10-Year Spread	-0.429	-0.403	-3 bp

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